

Riteshkumar Sahu (riteshkumar.sahu@kotak.com), Ian Gonsalves (ian.gonsalves@kotak.com)

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US rate cut, Geopolitical woes to keep commodities volatile

Comex gold hit a new record high of \$2,656.1 an ounce, surpassing the previous all-time peak set just a day earlier as Investors are closely waits for economic indicators like personal consumption expenditures and jobless claims to gauge the likelihood of further aggressive interest rate cuts by the Federal Reserve. Fed Governor Christopher Waller hinted at a series of quarter-point rate reductions and acknowledged the possibility of larger cuts if the job market softens.

Gold is also seeing support from increased haven demand as traders monitored escalating tensions in the Middle East, leading to concerns that the fighting between Hezbollah and Israel could broaden into a wider regional conflict. (Bloomberg)

WTI Crude Oil prices stabilized near \$71 per barrel. after a significant weekly surge, as the strengthening dollar outweighed concerns about the escalating conflict between Israel and Hezbollah. Hezbollah's intensified attack on northern Israel on Sunday, followed by retaliatory strikes, raised fears of a broader regional conflict. The ongoing conflict poses a significant threat to oil output in the region, potentially leading to supply disruptions and further price volatility.

LME base metals experience decline due to stronger dollar and fresh signs that China’s economy continues to struggle, hurting the outlook for consumption in the world’s largest consumer. LME Copper trading lower by 0.16% near \$9,461, other base metals also saw declines, with zinc falling 0.33% to \$2,857 per ton and Aluminium dropping 0.70% to \$2,468 per ton.

European natural gas rose about 2.4% on Monday, driven by heightened geopolitical risks and anticipation of colder weather. The market has been volatile amid escalating tensions in the Middle East, with Israel intensifying its air strikes against Hezbollah in southern Lebanon.

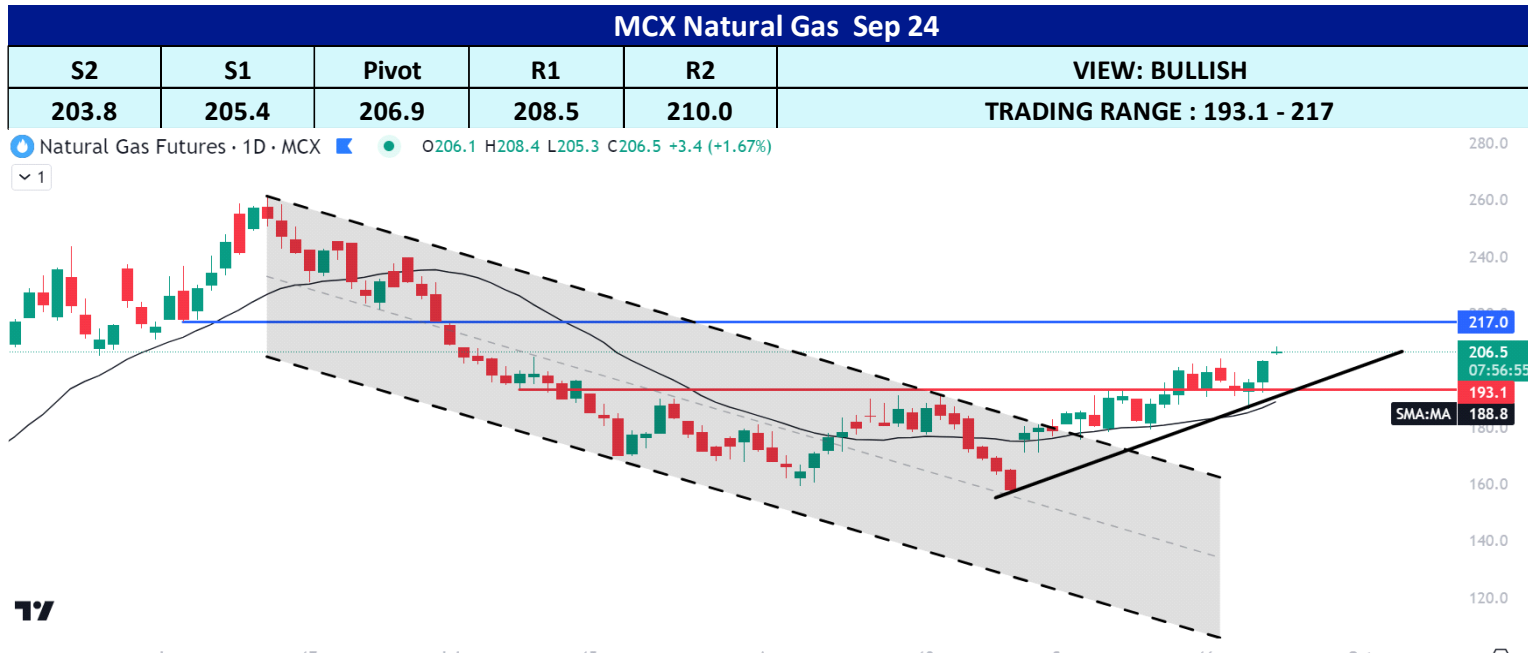
Today , attention will be on Flash Manufacturing and Services data, alongside speeches from key officials for insights into the monetary policy outlook.

Date	IST	Currency	Data	Forecast	Previous
23-Sep-24	17:30	USD	FOMC Member Bostic Speaks		
	19:15	USD	Flash Manufacturing PMI	48.6	47.9
	19:15	USD	Flash services PMI	55.3	55.7
	19:45	USD	FOMC Member Goolsbee Speaks		
	22:30	USD	FOMC Member Kashkari Speaks		

Source: Forex factory

Evening Track

	Commodity	Support 3	Support 2	Support 1	LTP	Resistance 1	Resistance 2	Resistance 3
Commodities	Spot Gold	2576.8	2601.5	2609.1	2621.5	2633.8	2641.4	2666.1
	MCX Gold Oct	73304	73768	73912	74144	74376	74520	74984
	Spot Silver	29.28	29.99	30.21	30.57	30.93	31.15	31.86
	MCX Silver Dec	86427	87754	88164	88828	89492	89902	91229
	MCX Copper Sep	786.6	796.8	800.0	805.1	810.2	813.4	823.6
	MCX Zinc Sep	258.2	261.9	263.0	264.8	266.6	267.7	271.4
	MCX Lead Sep	176.9	179.0	179.7	180.8	181.8	182.5	184.6
	MCX Aluminium Sep	222.4	225.3	226.3	227.8	229.2	230.2	233.1
	MCX Crude Oil Oct	5774	5881	5914	5967	6020	6053	6160
	MCX Natural Gas Sep	194.23	201.29	203.47	207.00	210.53	212.71	219.77



Source: Trading View

BUY	
BUY	We expect the commodity to deliver 1% or more returns
SELL	We expect the commodity to deliver (-1%) or more returns
SIDEWAYS	We expect the commodity to trade in the range of (+/-)1%
NOTE - The recommendations are valid for one day from the date of issue of the report, subject to mentioned stop loss, if any	

FUNDAMENTAL RESEARCH TEAM	
Anindya Banerjee	Head of Research
Kaynat Chainwala	Base Metals & Energy
Riteshkumar Sahu	Agri-Complex

TECHNICAL RESEARCH TEAM			
Abhijit Chavan	Ian Gonsalves	Devanshi Mehta	Yadnesh Shendge

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